

1 QUINN EMANUEL URQUHART & SULLIVAN, LLP  
2 Shon Morgan (Bar No. 187736)  
3 shonmorgan@quinnemanuel.com  
4 865 South Figueroa Street, 10<sup>th</sup> Floor  
5 Los Angeles, California 90017-2543  
6 Telephone: (213) 443-3000  
7 Facsimile: (213) 443-3100  
8 Christine W. Chen (Bar No. 327581)  
9 christinechen@quinnemanuel.com  
10 50 California Street, 22<sup>nd</sup> Floor  
11 San Francisco, California 94111-4788  
12 Telephone: (415) 875-6600  
13 Facsimile: (415) 875-6700

14 *Attorneys for Defendants*

15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

13 *In re: Hyundai and Kia Engine  
14 Litigation II*

Case No. 8:18-cv-02223-JLS-JDE

15 Hon. Josephine L. Staton

16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**DECLARATION OF ELIZABETH  
FERNANDEZ IN SUPPORT OF  
HYUNDAI'S SUBMISSION  
REGARDING SETTLEMENT  
SELF-ADMINISTRATION**

1 I, Elizabeth Fernandez, declare as follows:

2 1. I have been employed by Hyundai Motor America since July 2022 and  
3 my current title is Manager, Settlement Communications and Legal Compliance. If  
4 I were called as a witness, I could and would testify competently to the information  
5 contained here.

6 2. Hyundai will prioritize the identification of Class Vehicles to ensure  
7 notices are properly sent to eligible Class Members. Hyundai will identify Class  
8 Vehicle VINs through its internal records and provide that information to a third-  
9 party entity, such as S&P Global, to verify Class Member names and current  
10 addresses against Department of Motor Vehicle registration information. Before  
11 mailing notice letters, Hyundai will obtain updated information for Class Members  
12 by using the U.S. Postal Service's National Change of Address database. Hyundai  
13 will then send the Court-approved notices by U.S. mail with the help of a third  
14 party, such as Leafa Printing Plus, and by electronic mail to Class Members for  
15 whom Hyundai has an email address on file.

16 3. Hyundai retains customer contact information, including mailing  
17 addresses and electronic mail addresses. Specifically, Hyundai maintains address  
18 information for all original owners and lessees who purchased or leased their  
19 vehicles from authorized Hyundai dealerships. Hyundai also updates its customers'  
20 contact information whenever it is contacted by owners or lessees about their  
21 vehicles or receives updated information through its marketing channels.

22 4. If a notice sent by U.S. mail is returned as undeliverable, Hyundai will  
23 conduct an advanced address search across its customer records described above in  
24 Paragraph 3 to identify an alternative, deliverable address.

25 5. Along with notices, Hyundai will also distribute pamphlets via U.S.  
26 mail and electronic mail to Class Members and to Hyundai's authorized dealerships.  
27 The pamphlets will contain information about the Knock Sensor Detection System  
28 ("KSDS") software upgrade and the 15-year/150,000-Mile Limited Warranty.

1   Hyundai will instruct its dealerships to distribute the pamphlet to any person who  
2   presents a Class Vehicle for maintenance and to provide them with helpful  
3   information about Hyundai's product improvement campaigns, such as Hyundai's  
4   KSDS Installation Campaign.

5       6.   For each claim received, a vendor, Sedgwick Claims Management  
6   Services, Inc., performs an initial review of all claims. Hyundai understands that  
7   Sedgwick has extensive experience in administrating complex and large class  
8   actions for automobile companies that involve millions of phone calls and tens of  
9   millions of claims submissions. Hyundai is also aware that Sedgwick's multi-  
10   lingual claims processing team will be fully utilized and devoted for this settlement  
11   administration.

12       7.   Sedgwick will ensure that all requested documents are saved and  
13   confirm essential information such as VIN, mileage, relevant dates, repair orders,  
14   and the amount(s) claimed. If the claim is straightforward and all supporting  
15   documents are included in the claim, Sedgwick will approve the claim. Hyundai  
16   understands that Sedgwick will initially commit approximately 50-100 employees to  
17   this process and, depending on claims volume, will adjust accordingly.

18       8.   Hyundai's consumer assistance department will review a claim if there  
19   is uncertainty about whether a claim should be approved or denied, including  
20   situations in which an independent repair facility does not clearly document a repair,  
21   there are missing repair orders, or a claimant claims to be entitled to remedies  
22   beyond those offered in the settlement.

23       9.   If there continues to be uncertainty about whether a claim should be  
24   approved or denied or if a claimant indicates that they would like to appeal a claim,  
25   Hyundai's legal department will also review. Hyundai may also conduct an  
26   additional review for all claims, approved and denied, above a certain minimum  
27   dollar threshold once an initial determination has been made for all claims.

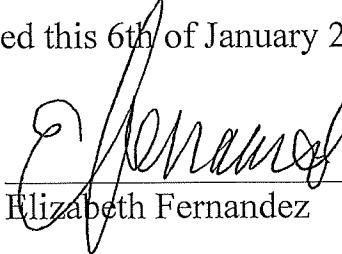
28

1       10. Aside from managers, 50 customer service representatives and  
2 employees will be in place to answer any questions regarding the settlement and to  
3 review, confirm, and issue the reimbursements for which the claimant is eligible as  
4 clearly defined in the settlement agreement. An additional 20 agents will be  
5 constantly available to assist if needed. Depending on claims volume, adjustments  
6 may be made to staffing as appropriate.

7       11. From Hyundai's previous class action settlements, only a handful of  
8 claimants have sought independent review of challenged claim awards.  
9 Specifically, in *Glenn et al v. Hyundai Motor Am., Inc.*, No. 8:15-cv-02052-DOC-  
10 KES (C.D. Cal.), only four Class Members requested BBB arbitration. In *Parkinson*  
11 v. *Hyundai Motor Am.*, No. SACV 06-345 AHS (C.D. Cal.), four to five Class  
12 Members decided to seek BBB arbitration. In *Mendoza v. Hyundai Motor Co., Ltd.*,  
13 No. 15-cv-01685-BLF (N.D. Cal.), twelve Class Members sought BBB arbitration.

14       12. Most recently, in *In re: Kia Engine Litigation* ("Engine I"), Case No.  
15 8:17-cv-00838-JLS-JDE (C.D. Cal.) Hyundai has received 72,398 claims and issued  
16 final determinations for 72,383 claims. Of those claims, only about 3% were  
17 appealed to the BBB, and the majority of disputes escalated to the BBB were  
18 resolved in Hyundai's favor.

19  
20  
21       I declare under penalty of perjury under the laws of the United States that the  
22 foregoing is true and correct. Executed this 6th of January 2023, at Fountain Valley,  
23 California.

24         
25       Elizabeth Fernandez  
26  
27  
28